



MICHIGAN HEALTH & HOSPITAL ASSOCIATION

Advocating for hospitals and the patients they serve.

TO: Members of the Senate Insurance Committee

FROM: Chris Mitchell, Director, Government Relations

DATE: April 24, 2012

SUBJECT: House Bills 5408 & 5421 – Telemedicine Health Insurance Coverage

MHA Position: **SUPPORT**

The Michigan Health & Hospital Association (MHA) supports House Bills (HBs) 5408 & 5421, sponsored by Reps. Gail Haines (R-Lake Angelus) and Matt Lori (R-Constantine) respectfully, which specify that health insurers could not require face-to-face contact between a health care provider and patient for services appropriately provided through the practice of telemedicine. Broadly, telemedicine is the use of telecommunication and information technologies to provide clinical care at a distance. Telemedicine can be used to do routine work in areas that lack clinical providers, to provide advanced care in emergency situations or to generally reduce the cost of providing care.

Telemedicine uses interactive audio, video or other electronic media for diagnosis, consultation or treatment, but the term usually include services provided using audio-only telephone, email or fax transmissions. Nationally, the top three uses of telemedicine are radiology, dermatology and psychiatry according to Telemedicine.com, Inc.

Currently, many commercial health insurance plans include reimbursement for some telemedicine services and Medicare is also changing some of its policies to cover the cost of providing care from a remote location. The proposed legislation would attempt to make that practice more consistent and provide all parties with the basic understanding of what is required under Michigan law.

The MHA believes that the use of telemedicine can be a cost effective and convenient way to deliver health care. Also, chronic illness such as congestive heart failure, diabetes or asthma can all be serviced through a remote clinical encounter with an enhanced opportunity to avoid hospitalization and complications while maintaining patient satisfaction. The MHA recognizes that the lasting success of telehealth and telemedicine will be through the adoption of treatment, monitoring and education when the topic or illness lends itself to remote access and that face-to-face encounters will always be necessary for some conditions or some patients. **Today, we urge you to support House Bills 5408 & 5421.**

Please contact Chris Mitchell (cmitchell@mha.org) at (517) 703-8622 at the MHA if you have further questions on this issue.

SPENCER JOHNSON, PRESIDENT

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